

To: Jeffrey Epstein[jeevacation@gmail.com]
From: Rich Kahn
Sent: Tue 8/24/2010 12:31:38 PM
Subject: FW: Attractive MS Step Up

This looks very interesting as an alternative to money market if you are comfortable with Morgan Stanley credit

Years 1&2 yields of 275 basis points are 255 basis points more than current JPM money market yield of 20 basis points

Please advise

From: Ian E Hirschfield [REDACTED]
Sent: Tuesday, August 24, 2010 8:18 AM
To: Rich Kahn
Subject: Attractive MS Step Up

Rich – This is a 7 year step up on Morgan Stanley that we like. It pays a nice above market coupon for the first 2 years and then steps up if it is not called. It is callable in 1 year, and quarterly thereafter.

These are senior unsecured notes. The IRR is 4.12%.

Years 1-2	2.75% Yield
Years 3-4	4.00% Yield
Years 5-6	5.00% Yield
Year 7	6% Yield

Let me know your thoughts.

Ian Hirschfield

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